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Insurance Committee Public Hearing

Tuesday, March 1, 2016

Connecticut Association of Health Plans

Testimony Submitted in Opposition to

SB 98 AAC Health Insurance Coverage for Services Rendered by Acupuncturists

The Connecticut Association of Health Plans respectfully urges the Committee's opposition to SB 98.

While every mandate under consideration by the legislature is laudable in its intent, each must be considered in the context of the larger debate on health care coverage access and affordability and also within the applicability of the Affordable Care Act of (ACA).

Please consider the fiscal note from the same bill considered in 2015 (HB 5359) which stated:

The bill will result in a cost to the state employee and retiree health plan (state plan)¹ and municipalities, of up to \$751,482 in FY 16 and \$1,502,964 in FY 17 to the state and up to \$457,113 in FY 16 and \$914,227 in FY 17 for municipalities for providing coverage for the treatment by a licensed acupuncturist to the same extent as a physician for conditions already covered by the state and municipal health plans.²

While OFA fiscal notes are only drawn to the state and municipal market, the impact to private sector plans would be the same or even greater depending upon the benefit design.

Furthermore, the ACA requires strict adherence to a particular timeline that would be undermined by the various mandates under consideration by the Committee. Connecticut's Exchange is right now preparing their standard benefit designs and carriers are right now preparing their non-standard plan designs. Health carriers must then file their associated rates with the Department of Insurance. If any new mandates or other cost sharing provisions are adopted after the standard benefit design has been finalized and rates have been filed, the Exchange and the carriers will have to reopen the entire process allowing for adjustments to the AV calculator, re-submittal of all templates and the re-filing of all rates. The sheer volume of mandates and the other insurance provisions under consideration by the Committee add appreciable volatility to the overall process that is not conducive to an efficient, stable and predictable insurance market – all of which would be to the benefit of Connecticut's citizens.

Appropriately, the 2015 bill later died in the Appropriations Committee. As such, we would similarly urge your rejection of SB 98 accordingly.

Thank you for your consideration.